

**IN THE UNITED STATES DISTRICT COURT
DISTRICT OF DELAWARE**

In re: INTEGRATED HEALTH SERVICES, INC., <i>et al.</i> Debtors.	Case No. 00-389 (MFW) Jointly Administered
IHS LIQUIDATING LLC, Plaintiff, v. ACE INDEMNITY INSURANCE COMPANY f/k/a INDEMNITY INSURANCE COMPANY OF NORTH AMERICA, Defendant.	Civil Action No. 05-376 (GMS)
IHS LIQUIDATING LLC, Third-Party Plaintiff, v. NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA., GENERAL STAR INDEMNITY COMPANY, and ACE INDEMNITY INSURANCE COMPANY f/k/a INDEMNITY INSURANCE COMPANY OF NORTH AMERICA, Third-Party Defendants.	
INDEMNITY INSURANCE COMPANY OF NORTH AMERICA, Fourth-Party Plaintiff, v. NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA and GENERAL STAR INDEMNITY COMPANY,	
	Fourth-Party Defendants.

STIPULATION OF DISMISSAL OF CERTAIN CLAIMS

Pursuant to Rule 41(a)(1)(ii) of the Federal Rules of Civil Procedure, the parties stipulate and agree that all claims against the Third-Party Defendant/Fourth-Party Defendant General Star Indemnity Company (“General Star”) are dismissed with prejudice. Additionally, the parties stipulate and agree to dismiss with prejudice all claims, whether asserted against General Star or against any other party, alleging that policies of insurance issued by General Star to Integrated Health Services, Inc. for the 1999 and 2000 policy years (the “General Star Policies”) are not properly exhausted by payment. This stipulation of dismissal includes, but is not necessarily limited to, the following claims:

1. *Defendant Indemnity Insurance Company of North America’s (“IICNA”) counterclaims against Plaintiff IHS Liquidating LLC sounding in the alleged non-exhaustion of the General Star Policies including, but not limited to:*
 - A. Paragraph 49 of IICNA’s Counterclaim dated July 26, 2005 (the “IICNA Counterclaim”);
 - B. Paragraph 52 of the IICNA Counterclaim, to the extent that it is directed to the General Star Policies; and
 - C. Paragraph (ii) of the Prayer for Relief in the IICNA Counterclaim, to the extent that it is directed to the General Star Policies.

2. *Fourth-Party Plaintiff IICNA's claims against General Star including, but not limited to:*

A. Paragraphs 96, 97, 98, 104, and 105 of IICNA's Fourth-Party Complaint dated February 28, 2007 ("Fourth-Party Complaint"); and

B. Paragraphs (c), (d), and (e) of the Prayer for Relief in the First Count of the Fourth-Party Complaint, and Paragraphs (b), (c), and (d) of the Prayer for Relief in the Second Count of the Fourth-Party Complaint, to the extent they are directed to the General Star Policies.

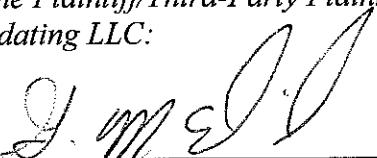
3. *Third-Party Plaintiff IHS Liquidating LLC's claims against General Star sounding in the alleged non-exhaustion of the General Star Policies including, but not limited to:*

A. Paragraphs 45 and 49 of the Plaintiff/Third-Party Plaintiff IHS Liquidating LLC's Third-Party Complaint of August 18, 2005 ("Third-Party Complaint"), to the extent that they are directed to the General Star policy; and

B. Paragraph (A)(i) of the Prayer for Relief in the Third-Party Complaint, to the extent that it is directed to the General Star policy.

[SIGNATURES ON FOLLOWING PAGE]

*For the Plaintiff/Third-Party Plaintiff IHS
Liquidating LLC:*


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*For the Third-Party Defendant/Fourth-Party
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Company of Pittsburgh, PA:*


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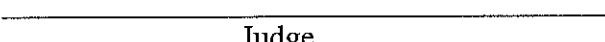
*For the Defendant/Third-Party
Defendant/Fourth-Party Plaintiff Indemnity
Insurance Company of North America:*


Benjamin C. Wetzel III, Esq. (I.D. No. 985)
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*For the Third-Party Defendant/Fourth-Party
Defendant General Star Indemnity Company:*


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Wilmington, DE 19801

SO ORDERED this _____ day of _____, 2007.


Judge

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